MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

-of-

UNITED ARTISTS CORPORATION

A Special Meeting of the Board of Directors of the UNITED ARTISTS CORPORATION was held at the office of the corporation, No. 729 Seventh Avenue, City, County and State of New York, on Wednesday, January 15, 1930 at four o'clock in the afternoon.

The meeting was called pursuant to a notice sent by the Secretary in conformity with the by-laws.

There were present the following directors:

JOSEPH M. SCHENCK
DENNIS F. O'BRIEN
NATHAN BURKAN
HARRY D. BUCKLEY
BERTRAM S. NAYFACK
CHRISTOPHER J. DUNPHY
JAMES A. MULVEY

and, in addition, the following officers:

AL LICHTMAN, Vice President
ARTHUR W. KELLY, Treasurer

Mr. Schenck, the Chairman of the Board of Directors, presided, and in the absence of Albert H. T. Banzhaf, Secretary, Mr. O'Brien was selected to act as Secretary, of the meeting.

Mr. Kelly, as Treasurer, stated to the Board that

the Board of Directors of United Artists Corporation Ltd., of England, had declared a dividend of 45,000 pounds (£45,000) on that corporation's capital of 7,500 pounds (£7,500), said dividend being six hundred percent (600%) of the corporation's capital, and that this sum of money was payable to the United Artists Corporation, of Delaware, being the owner of all the capital stock of United Artists Corporation Ltd., of England; and from these moneys will be deducted the British income tax of four shillings per pound, totaling £9,000, leaving the net amount to be paid to United Artists Corporation, of Delaware, £36,000; that the United Artists Corporation, of Delaware, was indebted to the United Artists Corporation Ltd., of England, for various amounts borrowed and advanced heretofore totaling in excess of the above amount of £36,000;

WHEREUPON, a resolution was made, seconded and unanimously adopted, that the Treasurer be authorized and empowered to use the aforesaid £36,000 or its equivalent to repay the same amount to the United Artists Corporation Ltd., of England, and thus cancel that amount of its advances or indebtedness to the United Artists Corporation, of Delaware.

Mr. Schenck, who was present at the meeting of the Board of Directors of United Artists Corporation Ltd., of England, when the action was taken declaring the above dividend, stated that prior to the passing of the resolution authorizing the declaration of the dividend and payment of the same to United Artists Corporation, of Delaware, the directors of United Artists Corporation Ltd., of England, requested that

United Artists Corporation, of Delaware, would enter into, execute and deliver to each of the directors of United Artists Corporation, Ltd., of England, and to each of the stockholder nominees in whose names are listed the stock of United Artists Corporation Ltd., to wit, Messrs/ F. M. Guedalla, S. D. Reed, H. A. Moseley, S. B. Collings, J. Dow, M. Silverstone, V. C. Daviss and Miss Edith Joseph, an indemnity agreement, substantially in the following language:

To:
Messrs. F.M. Guedalla, S.D.Reed, H.A.Moseley, S.B. Collings, J.Dow, M.Silverstone, V.C.Daviss and Miss Edith Joseph.

We, the UNITED ARTISTS CORPORATION, of Delaware, U.S.A. under our corporate seal, authorize and request you, with regard to any dividends declared by the United Artists Corporation Ltd., of Film House, Wardour Street, London, W.1, to assent to any such dividends being paid direct to our credit with the said English Company, it resting between the said English Company and ourselves as to how the proceeds of same are to be dealt with, it being no concern of yours how they are dealt with. Accordingly, we, being the beneficial owners of every share in the said English Company, hereby indemnify you in acting and assenting in pursuance of our request and authority as above mentioned.

IN WITNESS WHEREOF the United Artists Corporation has caused this instrument to be executed by Harry D. Buckley, Vice President, and Arthur W. Kelly, Treasurer, its duly authorized officers, and its corporate seal to be hereunto affixed this 28th day of January, 1930.

UNITED ARTISTS CORPORATION
By
Harry D. Buckley,
Vice President

Arthur W. Kelly,
Treasurer.

Mr. Schenck further stated that he had agreed on

behalf of United Artists Corporation, of Delaware, that such an instrument would be executed by the proper officers of the United Artists Corporation, of Delaware, and authority given to such officers to execute such instrument.

WHEREUPON, a resolution was made, seconded and unanimously adopted, that United Artists Corporation, of Delaware, through its Vice President, Harry D. Buckley, and its Treasurer, Arthur W. Kelly, does execute such indemnity in favor of the aforesaid directors and stockholder-nominees, and that duplicate original copies of the same be delivered to Messrs. F. M. Guedalla and M. Silverstone for those of the directors and stockholder-nominees residing in England, and that duplicate originals be executed and delivered to each of the directors residing in the United States of America.

A resolution was made, seconded and unanimously adopted, that the report of Arthur W. Kelly, as Treasurer, relative to the disposition of the aforesaid dividend of £36,000 by applying the same to reduce the loan account between United Artists Corporation Ltd., of England, and United Artists Corporation, of Delaware, be accepted and approved, and that Mr. Kelly be directed to act in compliance with the above report.

Pursuant to the request made at the previous meeting of the Board of Directors that the Treasurer have prepared for the ensuing meeting of the Board of Directors a financial statement of United Artists Film-Verleih, G.m.b.H., a subsidiary of United Artists Corporation, operating in Germany, the Treasurer stated he had such a statement and submitted it to the meeting. The statement is as follows:

		Marks
Owing to Producers on Aug.3,1929		1,411,287.11
Played & Earned 8/3/29 to 10/31/29 345,348. - Producers' share 50%		172,174.00
		1,583,461.11
Paid to Producers 9/14/29		296,089.00
		1,287,372.11
Cash on Hand 8/3/29	239,255.67	
Contracts turned over to Terra which are unplayed 10/31/29 693,053		
United Artists Film-Verleih estimated equity 10%	69,305.00	
Played & Earned 8/3/29 to 10/31/29 345,348		
82½% due from Terra	284,912.00	
	593,472.67	
Less Cash Received	296,089.00	
Accounts Receivable Miscellaneous	94,200.00	
	9,000.00	
" " Producers,	13,000.00	
" " Exhibitors,	99,000.00	
Accessories.....	40,000.00	
Furniture & Fixtures	4,000.00	
	259,200.00	
Aecounts Payable Miscellaneous.....	5,278.90	
" " Taxes.....	11,490.00	
Approximate Expenses 8/3/29 to 10/31/29.....	29,400.00	
10/3/29 to 12/31/29.....	20,600.00	
New York Account	41,684.15	
	108,452.15	
259,200.00		
108,452.15		150,747,85
		839,240.59
Less New York Commission.....		90,575.69
Total anticipated Loss,German Company,April 1930		748,664.90 MARK

The Treasurer further stated that since the execution of the contract between United Artists Film-Verleih, G.m.b.H. and Terra Film-Verleih, G.m.b.H. and Terra Film A.G., the United Artists Film-Verleih, G.m.b.H. had been in the course of liquidation and that its exchanges had been disposed of and the employment of its employees terminated with the exception of a small number of bookkeepers whose duty it was to check up on the contracts that the Terra Film-Verleih, G.m.b.H. would make and which pertained to the motion pictures of the United Artists Corporation that were being distributed in Germany; that the deficit of United Artists Film-Verleih, G.m.b.H. on August 3, 1929 was 899,304.54 marks, and that it had little or no assets; and that the producers of motion pictures of United Artists Corporation were not making silent versions of those motion pictures which might be distributed advantageously in Germany, and that the talking motion pictures distributed by United Artists Corporation did not have a market in Germany because of the English language being used and not the German.

It was the opinion of the Treasurer that there was little or no hope of recouping the losses sustained by United Artists Film-Verleih, G.m.b.H. in Germany; also that the owners of the motion pictures that have been distributed in Germany have been demanding payment of the moneys due them derived from the distribution of their pictures in Germany, and that after consultation with the President of the corpora-

tion, the Treasurer had paid to the producers of those pictures the amounts of moneys due them from the treasury of United Artists Corporation which was responsible to the producers for their respective shares of moneys received by the United Artists Corporation, or its subsidiaries, in the distribution of their pictures throughout the world.

WHEREUPON, a resolution was made, seconded and unanimously adopted, accepting the report of the Treasurer and approving the same, and particularly the Treasurer's acts in making payment of the moneys due the producers as aforesaid.

The amount of those payments was 743,395.20 marks. The commission due United Artists Corporation was 90,575.69 marks, making a total due from United Artists Film-Verleih, G.m.b.H. of 833,970.89 marks. In American money, the amount paid the producers was $177,719.25.

The Treasurer further stated that in keeping with the directions of the Executive Committee of the corporation at its meeting in December, 1929, to wit, that the estimated investment loss in United Artists Film-Verleih, G.m.b.H. be charged off in the year 1929 to profit and loss on the books of United Artists Corporation, of Delaware, such amount was by him as Treasurer charged to the profit and loss account on the books of United Artists Corporation, of Delaware, during the month of December, 1929;

WHEREUPON, a resolution was made, seconded and unanimously adopted, that the Board of Directors ratifies the action of the Executive Committee in its recommendations to the

Treasurer in charging to the profit and loss account of the corporation in December, 1929, the investment loss in United Artists Film-Verleih, G.m.b.H., and approves of the act of the Treasurer in paying the moneys due to the producers from the use of their motion pictures in Germany.

The Treasurer reported to the Board of Directors concerning certain defalcations and irregularities in the operation of the branch exchange at Buenos Aires; and that after an investigation and examinations made by Price, Waterhouse, Faller & Co., a settlememt for 40,000 pesos, or approximately $16,000. was made with the National Surety Company which had underwritten a bond of indemnity in favor of United Artists Corporation against its employees in that branch. The claim submitted was for 43,320 Argentine pesos, which was reduced to 40,000 pesos because of an allowance made for depreciation of a Chrysler car which the Treasurer contended had been illegally appropriated by one of its employees. The Treasurer further reported that he had directed the accounting department to disburse these settlement moneys as follows:

Deduct the charges of Price, Waterhouse, Faller & Co. in connection with their investigations and reports in this matter which amounted to $4,550.00; also the extraordinary expenses for cables amounting to $1,000.00, legal charges of the attorneys in Buenos Aires, and the residue to be prorated among the contracts of each motion picture involved in the irregularities.

The Treasurer further stated that the representa-

tives of United Artists Corporation sent duplicates of the contracts of each picture to the home office in New York City and settled with the home office in conformity with those contracts, but in many instances the representatives collected additional consideration from the exhibitors of United Artists' motion pictures which did not appear in the contracts, (and which was so-termed "a confidential agreement" on the side) so that these moneys would represent amounts in addition to the amounts already paid the producers on account of the contracts for their motion pictures in that territory;

WHEREUPON, a resolution was made, seconded and unanimously adopted, ratifying and approving of the acts of the Treasurer as above reported.

The Treasurer was instructed to send to Price, Waterhouse & Co. an abstract of these minutes covering the situation and disposition of the moneys pertaining to the above happenings of the Buenos Aires Exchange.

Mr. Kelly, as Vice President and in charge of foreign distribution, reported that the proposed contract between Union Theatres Ltd., of Australia, and United Artists (Australasia) Ltd., and the United Artists Corporation, of Delaware, which had been authorized by the Board of Directors at its previous meeting, had been passed upon by counsel to United Artists Corporation, and certain recommendations made and the contract with the recommendations forwarded to the United Artists (Australasia) Ltd. of Sydney, Australia, and

that an entirely different situation had been created in Australia from what existed at the time of the contracts in New York City, and that in order to effectuate the contracts it was necessary to accept the contracts as sent to New York by United Artists (Australasia) Ltd., which also reported that the contract contained the most favorable terms and conditions that could be obtained, and that upon such recommendations, instructions had been given to United Artists (Australasia) Ltd. to conclude such contract;

WHEREUPON, a resolution was made, seconded and unanimously adopted, approving the act of Mr. Kelly, that the proposed contract recommended by United Artists (Australasia) Ltd. be approved and ratified.

The Treasurer presented to the Board a consolidated balance sheet, as of November 30, 1929, of the United Artists Corporation, its branches and subsidiaries, (the balance sheets of the foreign subsidiaries being of the date of November 2, 1929, except Germany and the Far East, which were of the date of August 3, 1929. Such consolidated balance sheets showed an operating profit of approximately $1,080,671.37 and a surplus to date of $1,257,520.35.

The question of declaring a dividend on the common stock of the corporation was discussed by practically all of the directors present, and the President recommended that the common stock of the corporation be placed upon an annual dividend of $20.00 per share;

WHEREUPON, a resolution was made by Mr. Dunphy and seconded by Mr. O'Brien, and unanimously adopted, that the common stock of the corporation enjoy the yearly dividend of $20.00 per share, payable February 1st each year to stockholders of record as of the previous January 1st; the first dividend to be paid on February 1, 1930 to stockholders of record as of January 1, 1930. That the dividends payable upon common stock of the corporation held by the escrow agent be payable in conformity with the provisions of the escrow agreement. The Treasurer stated that there were certain shares of stock held in escrow by Dennis F. O"Brien, issued in the names of Gloria Swanson and Charles Chaplin.

A resolution was made, seconded and unanimously adopted, that commencing with the meeting of January 15, 1930, each director and officer attending this meeting and subsequent meetings shall receive a fee of $10.00 each.

Mr. Al Lichtman made an extensive report concerning the difficulties that the personnel of the organization was experiencing in their efforts to enforce contracts with exhibitors and collect moneys on those contracts from exhibitors since the decision of Mr. Justice Thacher of the United States District Court, holding the arbitration provisions of the so-termed Standard Exhibition Contract illegal.

Mr. O'Brien reported a multiplicity of law suits that had been brought against distributors who were members of the Motion Picture Producers & Distributors of America, Inc.

A general discussion took place, and it was finally decided that where United Artists Corporation was joined as a defendant with other members of the above organization or of the Film Boards of Trade, it join with them in a unity of defense and pay its proportionate share of the fees of attorneys to be employed to represent all the members as distinguished from their individual attorneys, and that the matter of the payment of the dues to the Film Boards of Trade and to the Motion Picture Producers & Distributors of America, Inc., be left to the Executive Committee of the corporation for their decision.

There being no further business coming before the meeting, the same was duly adjourned.

Secretary

MINUTES APPROVED:

Joseph M. Schenck

WAIVER OF NOTICE OF SPECIAL MEETING
OF DIRECTORS OF THE

UNITED ARTISTS CORPORATION

We, the undersigned, being all the Directors of UNITED ARTISTS CORPORATION, do hereby waive any and all notice of a Special Meeting of the Board of Directors to be held on the 5th day of February, 1930, at 4 o'clock in the afternoon at the New York Office of the corporation, No. 729 Seventh Avenue, Borough of Manhattan, City of New York, and do consent that such meeting be held at such time and place as above set forth; and do further consent that such meeting shall be held for the purpose of authorizing ALBERT J. JEFFREY, Manager of the Montreal Office, to execute and deliver a certain Indenture of Lease made by and with the IDEAL INVESTMENTS LIMITED, a Canadian corporation, for the lease and rental of certain premises on Monkland avenue, more particularly described in said lease, and to do all other and further acts necessary and requisite for the execution and delivery of said lease.

Dated, New York, February , 1930.

Joseph M. Schenck

Nathan Burkan

Dennis F. O'Brien

Albert E.T.Banzhaf

Harry D. Buckley

Christopher J. Murphy

James A. Mulvey

Bertram H. Mayfack

SPECIAL MEETING OF BOARD OF DIRECTORS

of

UNITED ARTISTS CORPORATION

A Special Meeting of the Board of Directors of UNITED ARTISTS CORPORATION was held at the Office of the corporation, No. 729 Seventh Avenue, Borough of Manhattan, City and State of New York, on the 5th day of February, 1930, at 4 o'clock in the afternoon.

There were present:

Nathan Burkan
Bertram B. Heyfeck
James A. Mulvey
Harry D. Buckley
Christopher J. Dunphy
Albert M.T.Benshaf
Dennis F. O'Brien

Mr. Buckley presided at the meeting, and Mr. Benshaf acted as Secretary thereof.

The Chairman stated that the purpose of the meeting was to authorize ALBERT J. JEFFREY, Montreal Manager of the United Artists Corporation, to execute and deliver a certain Indenture of Lease of premises on Monkland Avenue, in the City of Montreal, on behalf of the United Artists Corporation, to and with the IDEAL INVESTMENTS LIMITED, a Canadian corporation, as Lessor, said lease being for a period of Ten (10) years beginning May 1, 1930, upon an annual rental of Eighteen Hundred Dollars ($1800.) per annum, payable One Hundred fifty Dollars ($150.) a month in advance, and to do all and such other and further acts as may be necessary for the proper execution and delivery of said lease.

Upon motion duly made and seconded, it was

"RESOLVED, that ALBERT J. JEFFERY, Montreal Manager of United Artists Corporation, be and he hereby is authorized and empowered to execute and deliver, on behalf of the United Artists Corporation, a certain Indenture of Lease in which said lease the IDEAL INVESTMENTS LIMITED, a Canadian corporation, is Lessor, and UNITED ARTISTS CORPORATION is Lessee, which said lease is for a period of ten (10) years beginning May 1, 1930, and covers premises on Monkland Avenue, as more particularly set forth and described in said lease."

There being no objection, said resolution was therefore declared unanimously adopted.

No further business coming before the meeting, upon motion duly made and seconded, said meeting was declared adjourned.

Albert H.T.Banzhaf, Secretary

Joseph M. Schenck

Nathan Burkan

James A. Mulvey

Bertram B. Heyfack

Harry M. Buckley

Christopher J. Dunphy

Albert H.T.Banzhaf

Dennis F. O'Brien

CERTIFICATE OF RESOLUTION OF BOARD OF DIRECTORS
OF UNITED ARTISTS CORPORATION, AUTHORIZING
EXECUTION AND DELIVERY OF LEASE IN THE
CITY OF MONTREAL, PREMISES

I, the undersigned, ALBERT H. T. BANZHAF, Secretary of UNITED ARTISTS CORPORATION, a corporation organized under the Laws of the State of Delaware, having its principal place of business at No. 729 Seventh Avenue, in the Borough of Manhattan, City of New York,

DO HEREBY CERTIFY, that at a meeting of the Board of Directors of said corporation, held at its office, in the Borough of Manhattan, City of New York, State of New York, on the 14th day of February, 1930, at which a quorum was present, the following resolution was unanimously adopted:

> "RESOLVED, that ALBERT J. JEFFREY, Montreal Manager of UNITED ARTISTS CORPORATION be, and he hereby is authorized and empowered to execute and deliver on behalf of the United Artists Corporation, a certain Indenture of Lease in which said lease the IDEAL INVESTMENTS LIMITED, a Canadian corporation, is Lessor, and UNITED ARTISTS CORPORATION is Lessee, which said lease is for a period of Ten (10) years beginning May 1, 1930, and covers premises on Monkland Avenue, as more particularly set forth and described in said lease."

In Witness Whereof, I have hereunto set my hand and affixed my seal at the Borough of Manhattan, City of New York, this 14th day of February, 1930.

Albert H. T. Banzhaf, Secretary

In the presence of:

J. K. Burger

MINUTES OF ANNUAL MEETING OF STOCKHOLDERS

of

UNITED ARTISTS CORPORATION

April 7,1930

The Annual Meeting of Stockholders of United Artists Corporation was held at the office of the corporation, 729 Seventh Avenue, in the Borough of Manhattan, City, County and State of New York, on the 7th day of April, 1930, at 3 o'-clock in the afternoon.

The meeting was called to order by Dennis F. O'Brien, the first-vice-president, who presided thereat, and Albert H.T.Banzhaf, secretary of the corporation, acted as secretary of the meeting.

The Secretary presented to the meeting the sworn statement of Sumner W. Taylor evidencing that he had duly mailed copy of Notice of Annual Meeting to the stockholders of record of United Artists Corporation on the 18th of March, 1930.

By resolution duly made, seconded and unanimously adopted, this sworn statement was made part of the Minutes of this meeting and is as follows:

STATE OF NEW YORK)
: ss
COUNTY OF NEW YORK)

Sumner W. Taylor, being duly sworn, says, that he is over the age of twenty-one years; that on the 18th day of March, 1930 he mailed a copy of the notice of the annual meeting of the stockholders of the UNITED ARTISTS CORPORATION, a duplicate of which is hereto annexed, to the following stockholders at the following addresses:

Mary Pickford Fairbanks	c/o The Pickford Studios, 1041 N. Formosa Ave., Hollywood, California
Douglas Fairbanks	c/o Douglas Fairbanks Pictures Corp. 1041 N. Formosa Ave., Hollywood, California
Joseph M. Schenck	c/o United Artists Studios 1041 N. Formosa Ave., Hollywood, California
Charles Chaplin	1416 La Brea Avenue Hollywood, California
D. W. Griffith	c/o United Artists Studios 1041 N. Formosa Ave., Hollywood, California
D. W. Griffith, Inc.	c/o United Artists Studios 1041 N. Formosa Ave., Hollywood, California
Art Cinema Corporation	729 Seventh Ave., New York City
Miss Gloria Swanson	c/o Christopher J. Dunphy R. 1911 N.Y.Central Bldg., New York City
Sam Goldwyn	c/o United Artists Studios 1041 N. Formosa Ave., Hollywood, California

by depositing a copy of said notice enclosed in a properly sealed postpaid wrapper addressed to each of the persons at the above respective addresses in the postoffice box in the Knickerbocker Bldg., 152 W. 42nd Street, Borough of Manhattan, City of New York.

Sumner W. Taylor

Sworn to before me this 24 day of March, 1930

Etta Cahen

ETTA CAHEN
Notary Public, New York County
N.Y.Co. Clks.No.5, Reg. No.1C340
Commission expires March 30, 1931

HOME OFFICE
729 SEVENTH AVE.
NEW YORK
TELEPHONE BRYANT 7300

United Artists Corporation

JOSEPH M. SCHENCK
CHAIRMAN BOARD OF DIRECTORS
MARY PICKFORD
NORMA TALMADGE
GLORIA SWANSON
CHARLIE CHAPLIN
DOUGLAS FAIRBANKS
DAVID WARK GRIFFITH
SAMUEL GOLDWYN

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 7, 1930

The Annual Meeting of Stockholders of this corporation will be held on the seventh day of April, 1930, at 3 o'clock in the afternoon at the office of the corporation in New York, 729 Seventh Avenue, Borough of Manhattan, City of New York, for the purpose of electing a Board of Directors for the ensuing year and receiving and acting upon the reports of the officers, and for the transaction of such other business as may properly come before the meeting.

Dated March 18, 1930

Sumner W. Taylor
Assistant Secretary

There was presented to the meeting by the Secretary, Albert H.T. Banzhaf, an Alphabetical List of Stockholders at Closing of Books, March 28,1930.

By resolution duly made, seconded and unanimously adopted, this Alphabetical List of Stockholders was made part of the Minutes of this meeting and is as follows:

UNITED ARTISTS CORPORATION

Organized under the Laws of the State of Delaware

ALPHABETICAL LIST OF STOCKHOLDERS

At Closing of Books, March 28, 1930

NAMES	RESIDENCES	SHARES Common Stock
ART CINEMA CORPORATION,	729 Seventh Avenue New York City	1000
CHARLES CHAPLIN	Los Angeles, Cal.	1000
DOUGLAS FAIRBANKS	" " "	1000
MARY PICKFORD FAIRBANKS	" " "	1000
SAMUEL GOLDWYN	" " "	1000
D.W. GRIFFITH	" " "	500
D.W.GRIFFITH, INC	New York City	500
JOSEPH M. SCHENCK	Los Angeles, Cal.	1000
GLORIA SWANSON	" " "	1000
UNITED ARTISTS CORPORATION,	New York City	1000

Correct

Albert H.T. Banzhaf

Albert H.T.Banzhaf, Secretary

The Chairman called the roll of stockholders and reported that all of the common stock of the corporation issued and outstanding was represented in person or by proxy, as follows:

Name	Name of Proxy	No. of Shares
Joseph M. Schenck	Dennis F.O'Brien	1000
Mary Pickford Fairbanks	Dennis F. O'Brien	1000
Douglas Fairbanks	Dennis F. O'Brien	1000
Charles Chaplin	Nathan Burkan	1000
D.W. Griffith	Albert H.T. Banzhaf	500
D.W. Griffith, Inc.	Albert H.T. Banzhaf	500
Art Cinema Corporation	Bertram S. Nayfack	1000
Samuel Goldwyn	James A. Mulvey	1000
Gloria Swanson	C.J. Dunphy	1000
Making a total of		8000 shares

and constituting a majority of the issued and outstanding capital stock and a quorum according to the by-laws.

The above proxies were presented and found to be correct and were ordered to be filed with the records of the meeting.

KNOW ALL MEN BY THESE PRESENTS that I, JOSEPH M. SCHENCK, do hereby constitute and appoint Dennis F. O'Brien to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 24 day of March 1930.

Joseph M. Schenck

KNOW ALL MEN BY THESE PRESENTS THAT I, MARY PICKFORD FAIRBANKS, also known as GLADYS MARY FAIRBANKS do hereby constitute and appoint Dennis F. O'Brien to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 27th day of March 1930.

Mary Pickford Fairbanks

KNOW ALL MEN BY THESE PRESENTS that I, DOUGLAS FAIRBANKS, do hereby constitute and appoint Dennis F. O'Brien to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 24 day of March 1930.

Douglas Fairbanks

10

KNOW ALL MEN BY THESE PRESENTS that I, CHARLES CHAPLIN, do hereby constitute and appoint NATHAN BURKAN to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 24 day of March 1930.

Charles Chaplin

KNOW ALL MEN BY THESE PRESENTS that I, D. W. Griffith, do hereby constitute and appoint ALBERT H. T. BANZHAF to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 31st day of March 1930.

D W Griffith

KNOW ALL MEN BY THESE PRESENTS that D. W. GRIFFITH, INC. a Corporation duly organized and existing under the laws of the State of Maryland, by its duly authorized officer does hereby constitute and appoint ALBERT H. T. BANZHAF its lawful attorney, substitute and proxy for it and in its name to vote upon all the stock held by it in the United Artists Corporation at the Annual Meeting of Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as the Corporation or as any officer of the Corporation could do were the Corporation personally represented at said meeting.

IN WITNESS WHEREOF D. W. GRIFFITH, INC. has caused this instrument to be executed by its duly authorized officer and the seal of the Corporation to be affixed hereto this 31 day of March 1930.

D. W. GRIFFITH, INC.

By D W Griffith

Albert H Banzhaf Sec'y

ATTEST

STATE OF ~~NEW YORK~~ CALIFORNIA)
: ss.
COUNTY OF ~~NEW YORK~~ Los Angeles)

On this 31 day of March 1930 before me personally appeared D. W. Griffith to me known and being by me duly sworn did depose and say that he resides in the City of Los Angeles, State of Calif. that he is the President of D. W. Griffith, Inc., the corporation described in and which executed the foregoing instrument, that he knows the seal of said corporation, that the seal affixed to said instrument is said corporate seal, that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by a like order.

Irwin Luttermoser

NOTARY PUBLIC
In and for the County of Los Angeles, State of California
My Commission Expires Dec. 19, 1931

KNOW ALL MEN BY THESE PRESENTS that ART CINEMA CORPORATION, a Corporation duly organized and existing under the laws of the State of Delaware, by its duly authorized officer does hereby constitute and appoint BERTRAM S. NAYFACK its lawful attorney, substitute and proxy for it and in its name to vote upon all the stock held by it in the United Artists Corporation at the Annual Meeting of Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as the Corporation or as any officer of the Corporation could do were the Corporation personally represented at said meeting.

IN WITNESS WHEREOF ART CINEMA CORPORATION has caused this instrument to be executed by its duly authorized officer and the seal of the Corporation to be affixed hereto this 24 day of March 1930.

ART CINEMA CORPORATION

By Joseph Moskowitz
Joseph Moskowitz, Vice-Pres.

ATTEST

STATE OF NEW YORK)
: ss.
COUNTY OF NEW YORK)

On this 24 day of March 1930 before me personally appeared JOSEPH MOSKOWITZ, to me known and being by me duly sworn did depose and say that he resides in the Borough of Queens, City and State of New York, that he is the Vice-President of Art Cinema Corporation, the corporation described in and which executed the foregoing instrument, that he knows the seal of said corporation, that the seal affixed to said instrument is said corporate seal, that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by a like order.

Sumner W. Taylor

SUMNER W. TAYLOR
Queens County Clerk's No. 1811
Queens County Register's No. 6178
New York County Clerk's No. 69
New York County Register No. 1T90
My Commission Expires March 30, 1931

KNOW ALL MEN BY THESE PRESENTS that I, SAMUEL GOLDWYN, do hereby constitute and appoint JAMES A. MULVEY to be my lawful attorney, substitute and proxy for me and in my name to vote upon the stock held by me in the United Artists Corporation at the Annual Meeting of the Stockholders of said Corporation to be held on the 7th day of April 1930 and at any adjourned meeting thereof as fully and with the same effect as though I were personally present at such meeting, and I hereby revoke any proxy or proxies heretofore given by me to any person or persons whatsoever.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 24th day of March 1930.

Samuel Goldwyn

KNOW ALL MEN BY THESE PRESENTS, That I, Gloria Swanson, a subscriber for and owner of one thousand (1,000) shares of stock of the United Artists Corporation, incorporated under the laws of the state of Delaware, do hereby constitute and appoint C. J. Dunphy my true and lawful attorney, in my name, place and stead, to vote upon the stock owned by me or standing in my name,, as my proxy, at the meeting of the said corporation, to be held at the company's office, in New York City, New York, on the 7th day of April, 1930, or on such other day as the meeting may be thereafter held by adjournment or otherwise, according to the number of votes I am now or may then be entitled to cast, hereby granting the said attorney full power and authority to act for me in my name at the said meeting or meetings, in voting for directors of the said company or otherwise, and in the transaction of such other business as may come before the meeting, as fully as I could do if personally present, with full power of substitution and revocation, hereby ratifying all that my said attorney or substitute may do in my place, name and stead.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 21st day of March, 1930.

Gloria Swanson
(Gloria Swanson)

Subscribed and sworn to before
me this 21st day of March, 1930.

L. Dawson Notary Public
My Commission Expires Aug 8" 1931

The Chairman read the Minutes of the last annual meeting of stockholders of the corporation, and, upon motion duly made, seconded and unanimously adopted, it was

RESOLVED, that the minutes of the last annual meeting of stockholders of the UNITED ARTISTS CORPORATION held on the 7th day of May, 1929, be adopted as read.

The Chairman then called for a report of the Treasurer of the corporation.

The Treasurer presented a consolidated balance sheet of the corporation as of December 28,1929, and also the audit of the United Artists Corporation and its subsidiary corporations, by Price,Waterhouse & Co., as of December 28, 1929.

Mr. Arthur W. Kelly, the Treasurer, explained these reports in detail, and a motion was duly made, seconded and unanimously adopted that his report be accepted and that the report of Price Waterhouse & Co. be made part of the minutes of this annual meeting.

Said reports follow:

For Chemulis

COPY

UNITED ARTISTS CORPORATION (DEL.)

AND SUBSIDIARY COMPANIES

CERTIFIED ACCOUNTS

* * * * *

DECEMBER 28, 1929

PRICE, WATERHOUSE & Co.

56 PINE STREET

PRICE, WATERHOUSE & CO.

56 PINE STREET

NEW YORK April 3, 1930.

We have examined the attached consolidated balance sheet as at December 28, 1929 and relative statement of profit and loss for the year ending on that date, of the United Artists Corporation (Del.) and its subsidiary companies, which have been prepared from the following sources:

Accounts examined by us:

United Artists Corporation (Del.)	Home office books
United Artists Corporation, Ltd.	(Canada)
United Artists Corporation	(Brazil)
United Artists Corporation	(Argentine)
United Artists Corporation	(Chile)
United Artists Corporation, Ltd.	(England)
United Artists Film Verleih G.m.b.H.	(Germany)

Accounts not examined by us, for which we were furnished statements by the companies' representatives:

United Artists Corporation	(Continental Europe)
United Artists Corporation	(Far East)
United Artists Corporation	(Peru)
Artistas Unidos S. A.	(Mexico)
Les Artistes Associes S. A.	(France)
United Artists (Australasia) Ltd.	(Australia)
Les Artistes Associes S. A. Belge	(Brussels)
United Artists Aktieselskap	(Norway)
United Artists A. B.	(Sweden)
A. B. United Artists Corporation O.Y.	(Finland)
United Artists Spolecnast, S.R.O.	(Prague)
Unartisco, S.A.	(Switzerland)
N. V. United Artists Corporation	(Holland)

All producers have been charged 27½% of the domestic gross rentals for the distribution in the U.S.A. but Mr. Charles Chaplin has not agreed in writing to this arrangement.

Rentals charged to Publix Theatres Corporation and Loew's, Inc. are based on agreements dated February 3, 1928 but are subject to revision upon examination by the contracting parties of the particulars.

Subject to the above, we hereby certify that, in our opinion, the attached balance sheet and statement of profit and loss fairly set forth the financial position of United Artists Corporation (Del.) and its subsidiary companies at December 28, 1929 and the result of operations for the year ending at that date.

Price Waterhouse & Co.

UNITED ARTISTS CORPORATION (DEL.)
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET — DECEMBER 28, 1929

Assets

CASH:		
In banks and on hand	$1,746,009.43	
In transit from foreign subsidiaries	31,293.03	
		$1,777,302.46
NOTES RECEIVABLE		19,781.66
ACCOUNTS RECEIVABLE:		
Producers	$ 232,869.68	
Exhibitors	1,235,539.33	
Miscellaneous	308,523.71	
	$1,776,932.72	
Less - Reserve for doubtful accounts	36,232.71	
		1,740,700.01
INVENTORIES:		
Accessories on hand and in transit -	$ 194,414.27	
Prints in transit	24,708.08	
Picture rights (France) "From Jungle to Screen"	4,362.96	
		223,485.31
MISCELLANEOUS DEPOSITS		28,981.97
CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES		18,573.75
FURNITURE AND FIXTURES AND IMPROVEMENTS	279,001.56	
Less - Reserve for depreciation	113,209.38	
		165,792.18
DEFERRED CHARGES - Prepaid rent, taxes, insurance, etc.		62,250.48
ARTISTS' CONTRACTS		40,000.00
		$4,076,847.82

Liabilities

OWING TO PRODUCERS			$1,449,523.95
ACCOUNTS PAYABLE AND ACCRUED EXPENSES			465,557.35
PAYMENTS IN ADVANCE OF FILM SERVICE:			
Exhibitors	$ 182,755.48		
Foreign rights	37,256.67		
			220,012.15
DEFERRED CREDITS			97,607.05
RESERVE FOR INCOME TAXES			179,100.01
RESERVE FOR ALLOWANCES TO EXHIBITORS			99,900.00
RESERVE FOR CONTINGENCIES			19,884.98
CAPITAL STOCK:-			
Common - no par value:			
Authorized - 9,000 shares stated value $5 each	$ 45,000.00		
Less - In treasury	5,000.00		
			40,000.00
SURPLUS:			
Surplus, December 29, 1928	$ 492,006.81		
Add - Profit for the year ending December 28, 1929 as per annexed statement	1,326,204.59		
	$1,818,211.40		
Less - Dividends paid on preferred stock (in full)	179,299.07		
	$1,638,912.33		
Less:			
Appropriation for allowance to exhibitors	$100,000.00		
Less - Amount paid out at December 28, 1929	100.00		
	$ 99,900.00		
Premium paid on retirement of preferred stock	33,750.00	133,650.00	
			1,505,262.33
			$4,076,847.82

UNITED ARTISTS CORPORATION (DEL.)

AND SUBSIDIARY COMPANIES

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDING DECEMBER 28, 1929

* * * * *

Income:		
Gross film rentals	$19,506,769.59	
Less - Producers' participation	13,156,954.15	
Corporate share - played and earned		$ 6,349,815.44
Profit on sale of accessories	$ 244,368.81	
Commission on sale of foreign rights	12,217.15	
Other income	127,977.81	
		384,563.77
Total income		$ 6,734,379.21
Expenses:		
Printing, duties, censorship, etc.	$ 286,033.19	
Exchanges' operating expenses	3,257,186.51	
Home office expenses	1,182,869.65	
Foreign department expenses	152,404.17	
Loss on foreign exchange	11,052.16	
Income tax of foreign companies	113,727.91	
Other expenses	312,636.02	
Allowances to exhibitors (paid from reserve)	100.00	
		5,316,009.61
Profit, before providing for Federal income taxes		$ 1,418,369.60
Less - Provision for Federal income taxes		92,165.01
Profit for the year ending December 28, 1929		$ 1,326,204.59

In the absence of Mr. Al Lichtman, Vice President and member of the Executive Committee, and General Sales Manager, Mr. Arthur W. Kelly reported regarding that portion of the corporation's business.

Mr. Harry D. Buckley, Vice President and Member of the Executive Committee, reported in detail concerning the sale of accessories, the saving in positive copies, and in the distribution and circulation of sound devices; all of which appeared in the balance sheet.

A motion was duly made, seconded and unanimously adopted that the officers of the corporation be complimented for the splendid and satisfactory results which the corporation enjoyed during the year 1929 as reflected in the consolidated balance sheet.

The Chairman then stated that the election of members of the board of directors, which is made up of a membership of eight persons, was in order.

A resolution was made, seconded and unanimously adopted that the meeting proceed with the election of a board of directors.

The Secretary stated that Mary W. Rusk and Sumner W. Taylor, the Inspectors, were present, and they were duly sworn and the meeting proceeding with the nomination and election of directors, pursuant to which the following directors were elected, to wit:

JOSEPH M. SCHENCK

DENNIS F. O'BRIEN

NATHAN BURKAN

ALBERT H.T. BANZHAF

HARRY D. BUCKLEY

CHRISTOPHER J. DUNPHY

JAMES A. MULVEY

BERTRAM S. NAYFACK

Attached is the certificate duly signed by the Inspectors of Election.

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

WE, the undersigned, inspectors of election, duly appointed to act at the meeting of the stockholders of UNITED ARTISTS CORPORATION, being severally duly sworn, each for himself or herself deposes and says: That he or she will faithfully execute and perform the duties of inspector of election at each such meeting of the stockholders when required, with strict impartiality, and in accordance with the best of his or her ability, and particularly will perform such duties at the annual meeting of stockholders for the election of directors to be held on the 7th day of April, 1930.

Mary W. Rusk

[illegible]

SWORN to before me this
7th day of April, 1930

Schuyler J. Wilson

NOTARY PUBLIC, New York Co. No. 252
Registers's No. 2W114-[illegible]
Commission Expires March 30, 1932

We, the undersigned, duly elected inspectors of election of the UNITED ARTISTS CORPORATION, a stock corporation, do hereby certify as follows:

That a meeting of the stockholders of the said corporation was held on the 7th day of April, 1930, at 3 o'clock in the afternoon, at the office of the corporation, 729 Seventh Avenue, Borough of Manhattan, City of New York. That before entering upon the discharge of our duties we were severally sworn, and the oath so take is herebo annexed.

The result of the vote taken at such meeting, for the election of directors of said corporation for the ensuing year, was as follows:

Dennis F. O'Brien	8,000 votes
Nathan Burkan	8,000 votes
Albert H. T. Banzhaf	8,000 votes
Harry D. Buckley	8,000 votes
James A. Mulvey	8,000 votes
Bertram S. Nayfack	8,000 votes
Joseph M. Schenck	8,000 votes
Christopher D. Dunphy	8,000 votes

having received a plurality of the votes cast, were declared by us duly elected directors of said corporation for the ensuing year.

That the result of the vote taken at such meeting for the election of inspectors of said corporation was as follows:

Mary W. Rusk	8,000 votes
Sumner W. Taylor	8,000 votes

That the said Mary W. Rusk and Sumner W. Taylor, having received the majority of all the votes cast for inspectors of election, were duly declared by us elected as

such.

IN WITNESS WHEREOF we have made and signed this certificate this 7th day of April, 1930.

Mary A. Hynes

James J. Hynes

The meeting then proceeded to elect two Inspectors of Election for the ensuing year; and Miss Mary W. Rusk and Mr. Sumner W. Taylor were unanimously elected as Inspectors of Election for the ensuing year.

Resolution was made, seconded and unanimously adopted that the stockholders do hereby recommend to the board of directors that the corporation continue to pay to Mr. Joseph M. Schenck, the salary which he has been receiving for the past year as President of the corporation and Chairman of its Board of Directors, and that they continue his employment in these offices as aforesaid.

There being no further business before the meeting, on motion duly made, seconded and unanimously adopted, the same was duly adjourned.

Albert H.T. Banzhaf, Secretary

Dennis F. O'Brien, Chairman
of the Meeting

Minutes of Stockholders Meeting
of April 7,1929, approved:

Dennis F.O'Brien, Proxy for
Douglas Fairbanks

Dennis F. O'Brien, Proxy for
Mary Pickford Fairbanks

Christopher J. Dunphy, Proxy for
Gloria Swanson

Dennis F. O'Brien, Proxy for
Joseph M. Schenck

Albert H.T. Banzhaf, proxy for
D.W. Griffith and D.W. Griffith, Inc.

Nathan Burkan, proxy for
Charles Chaplin

Bertram S. Nayfack, proxy for
Art Cinema Corporation

James A. Mulvey, proxy for
Samuel Goldwyn

UNITED ARTISTS CORPORATION

Officers and Directors

Elected April 7, 1930

DIRECTORS:

JOSEPH M. SCHENCK
DENNIS F. O'BRIEN
NATHAN BURKAN
ALBERT H.T. BANZHAF
HARRY D. BUCKLEY
CHRISTOPHER J. DUNPHY
JAMES A. MULVEY
BERTRAM S. NAYFACK

OFFICERS:

Inspectors of Election: MARY W. RUSK
SUMNER W. TAYLOR

Chairman of Board of Directors: JOSEPH M. SCHENCK

President . . . . . JOSEPH M. SCHENCK

1st Vice President . . . . . DENNIS F. O'BRIEN
2nd Vice President . . . . . HARRY D. BUCKLEY
3rd Vice President . . . . . ARTHUR W. KELLY
4th Vice President . . . . . AL LICHTMAN

Secretary . . . . . ALBERT H.T. BANZHAF
Assistant Secretary . . . . . SUMNER W. TAYLOR

Treasurer . . . . . ARTHUR W. KELLY
Assistant Treasurer . . . . . MARY W. RUSK

ANNUAL MEETING OF DIRECTORS

of

UNITED ARTISTS CORPORATION

April 7, 1930

The regular annual meeting of the Directors of UNITED ARTISTS CORPORATION was held at the office of the corporation, 279 Seventh Avenue, in the Borough of Manhattan, City, County and State of New York, on the 7th day of April, 1930, at 4 o'clock in the afternoon, immediately following the annual meeting of stockholders of said corporation at which the then directors of the corporation were duly re-elected.

The said meeting of the directors was held in accordance with the by-laws of the corporation and there were present:

Dennis F. O'Brien
Nathan Burkan
Albert H.T. Banzhaf
Harry D. Buckley
Christopher J. Dunphy
James A. Mulvey
Bertram S. Nayfack

Dennis F. O'Brien presided at the meeting and Albert H.T. Banzhaf acted as secretary thereof.

There were also present at the meeting the treasurer of the corporation, Mr. Arthur W. Kelly.

Mr. O'Brien stated that the stockholders of the corporation had not elected officers for the ensuing year but had left this to the directors of the corporation.

By viva-voce vote, the following persons were unanimously elected to the offices set opposite their names, for the ensuing year:

Joseph M. Schenck	President
Dennis F. O'Brien	First Vice President
Harry D. Buckley	Second Vice President
Arthur W. Kelly	Third Vice President
Al Lichtman	Fourth Vice President
Albert H.T. Banzhaf . . .	Secretary
Sumner W. Taylor	Assistant Secretary
Arthur W. Kelly	Treasurer
Mary W. Rusk	Assistant Treasurer
Joseph M. Schenck	Chairman of the Board of Directors.

Mr. O'Brien stated that at the annual meeting of stockholders a resolution was made seconded and unanimously adopted recommending to the board of directors that the corporation continue to pay Mr. Joseph M. Schenck the salary which he has been receiving for the past year as President of the Corporation and Chairman of its board of directors.

Whereupon, on motion duly made, seconded and unanimously adopted, it was

> RESOLVED, that Joseph M. Schenck shall be paid for services now being rendered by him to this corporation as President of the corporation and Chairman of its board of directors, the sum of Two Thousand Dollars ($2,000) a week beginning May 1, 1930, for a period of one year; but that such compensation of Two Thousand Dollars ($2,000) per week shall be paid only out of profits of the corporation.

Mr. Kelly reported that on August 1st the corporation had redeemed preferred stock in the principal amount of $208,100, and had paid the premium of $10,405 pursuant to the by-laws of the corporation, the above amounts totalling $218,505 ;

That on November 1st,1929, the corporation had redeemed the balance of the outstanding preferred stock and paid to its owners the sum of $466,900, together with premium of $23,345, totalling $490,245; making the total redemption cost of all preferred stock of the corporation during said year of $708,750;

That in addition to the above payments, the corporation had paid to the owners of the preferred stock on May 1,1929, the cumulative dividends remaining unpaid on the preferred stock which totalled $156,461.07;

That on August 1, 1929, the quarterly dividend of 2% was paid on the outstanding preferred stock, to the owners of the same, which amounted to $13,500; and a similar quarterly dividend on November 1,1929, then outstanding, which amounted to $9,338; and that the total amount paid for dividends and charged to surplus during the year 1929, was $179,299.07;

That the total cash disbursements paid by the corporation for the redemption of the preferred stock and amounts paid as dividends and charged to surplus , during the year of 1929, was $888,059.07;

That the corporation had paid its first dividend to the owners of the common stock as of January 1,1930 at the

rate of $20 per share.

Because of the absence of Mr. Al Lichtman, Fourth Vice President of the corporation and a member of its Executive Committee, and directly in charge of sales, Mr. Kelly reported that Mr. Lichtman had made additional arrangements with Publix Theatres Corporation granting to that corporation a franchise for one year pursuant to which the photoplays distributed by United Artists Corporation would be exhibited in the newly-acquired motion picture theatres of Publix Theatres Corporation on the basis of 25% of the gross receipts of those theatres during each engagement, and 50% of the net profits realized from such engagement. Among the items of operating expense of each theatre would be included an amount equivalent to 7% of the investment of Publix Theatres Corporation in such theatre, proportioned to the period of the exhibition of the motion picture in that theatre. Also, that the existing franchise contract between United Artists Corporation and Publix Theatres, Inc., had been modified as regards the motion pictures owned by the Art Cinema Corporation, so that in lieu of the compensation provided for in that franchise contract, those motion pictures would receive an amount equivalent to 25% of the gross receipts and 50% of the net profits of each picture in each theatre for each engagement.

Also, that a franchise agreement was being negotiated with Warner Brothers, Inc., owners of the Stanley Theatre Circuit, upon terms and conditions similar to the contract with Publix Theatres, Inc.

That the exchange of United Artists Corporation which had been operated in Portland, Maine, had been abandoned and the territory formerly served by the Portland exchange is now being served by Boston Exchange.

That a new exchange had been opened and established in Milwaukee Wisconsin, so as to divide the territory formerly served by the exchange in the City of Chicago.

Mr. Kelly, in charge of Foreign Distribution, reported that Far Eastern Exchanges, embracing operations in Japan, Dutch East Indies and Straits Settlements, had been sold to Metro-Goldwyn Mayer, Inc., and a contract entered into with that corporation to distribute United Artists pictures in those countries. Such pictures include all pictures that are being distributed by the Far Eastern Exchanges, and subsequent pictures of United Artists, up to and including "Bulldog Drummond";

That the German corporation, a subsidiary of this corporation, ceased active distribution of the motion pictures in Germany as of May 1,1929, and a contract was entered into with the Terra-Film-Verleigh G.m.b.H., the German corporation, by the United Artists Corporation, for the continuance of the distribution of United Artists pictures in that territory;

That the subsidiary of this corporation in England, to wit: United Artists Corporation, Ltd., has been operating at an increasing profit during the past year, and, as far as its reports

for this year are concerned, it appears to be operating with equal success this year;

That during the year 1929 a new scale of commissions determining the consideration to be paid to the United Artists Corporation by the United Artists Corporation Limited has been agreed upon, and this scale graduated from 5% to 12%, depending upon the gross receipts of the English corporation;

That the corporation was negotiating a contract for distribution of its so-term RKO motion pictures, in the countries of France, Switzerland, Belgium and Italy, and that it was expected that the first pictures to be distributed in those territories under the proposed contract would be shipped to the exchanges of the subsidiary corporation there within the next four weeks.

Mr. O'Brien reported concerning several tax questions, and other legal questions that were under consideration pertaining to foreign corporations, and also regarding the disturbing conditions resulting from the abolishing of the Arbitration Boards and arbitration proceedings in the United States of America as a result of the opinion by Mr. Justice Thacher of the United States Southern District Court of New York; and that a new exhibition contract was in process of preparation, to be used by the corporation until the so-termed standard exhibition contract was agreed upon by the different

associations of exhibitors throughout the United States and the various distributors of motion pictures throughout the United States.

On account of the death of the former representative of United Artists Corporation in the State of Washington, it was

RESOLVED, that Power of Attorney be given to ROBERT H. EVANS, who resides in the City of Seattle, County of King, the principal place of business of United Artists Corporation in the State of Washington, making, constituting and appointment him the true and lawful attorney for the United Artists Corporation in and for the State of Washington, on whom all process of law against this corporation may be served in any action or special proceedings against this corporation in the State of Washington, subject to and in accordance with all the provisions of the statutes and laws of said State of Washington now in force, and such other acts as may be hereafter passed amendatory thereof and supplementary thereto; and authorizing and empowering said attorney Robert H. Evans, as the agent of United Artists Corporation, to receive and accept service of process in all cases provided for by the laws of the State of Washington; such appointment to continue in force for the period of time and in the manner provided by the statutes of the State of Washington, and until another attorney shall be duly and regularly substituted; and that such Power of Attorney be duly executed by the proper officers of this corporation.

Mr. Arthur W. Kelly reported that the Owner-Producers, whose pictures are distributed by the corporation, and Mr. Joseph M. Schenck, acting for the corporation, had come to an agreement, pursuant to which the charges of distribution and other charges incidental to the distribution of the motion pictures owned by such Owner-Producers and distributed by the corporation, had been reduced.

The new rate affects the productions of the following Stockholder-Producers:

1. Miss Mary Pickford
2. Miss Norma Talmadge
3. Miss Gloria Swanson
4. Mr. Charles Chaplin
5. Mr. Douglas Fairbanks
6. Mr. D.W. Griffith
7. Mr. Samuel Goldwyn
8. Art Cinema Corporation
9. Feature Productions
10. Joseph M. Schenck.

And the following charges become effective on all charges billed on March 2,1930, and subsequent thereto:

CHARGES

	Producer	Distributor
Revenue	75%	25%
Prints, in excess of 100	75%	25%
Freight and Cartage from Laboratories	--	100%
Replacements	75%	25%
Censoring	75%	25%
Copyrighting	--	100%
Advertising, where an amount is appropriated for an engagement	75%	25%
Exploitation for Men's Expenses	100%	
Exploitation for Men's Salaries	--	100%

Also, that these new rates will result in reducing the negative cost statements which are required to be filed by United Artists Corporation with Publix Theatre Corporation and Loew's Inc.

It was explained to the meeting that the Owner-Producers had heretofore on several occasions voluntarily agreed to an increase in the charges for distribution and their expenditures incidental thereto, because of the corporation's operating at a financial loss, and that such increase had been agreed to pursuant to an understanding that as soon as the financial condition of the corporation warranted, those charges would be reasonably reduced.

The corporation has now a substantial surplus and has been operating at a financial profit during the past two years. Consequently the Owner-Producers had requested that their understanding with the corporation be carried out.

Resolution was made, seconded and unanimously adopted that the act of Mr. Joseph M. Schenck as President of the Corporation and Chairman of the Board of Directors, in agreeing with the Owner-Producers as above set forth, in the reduction of charges for distribution of the motion pictures of the Owner-Producers, be confirmed and approved; and that such charges be continued during the balance of the period

of the respective contracts between the Owner-Producer and the corporation or until they are changed by mutual agreement.

There being no further business before the meeting the same was duly adjourned.

Albert H.T. Banzhaf, Secretary of Meeting

Dennis F. O'Brien, Chairman

Nathan Burkan

Harry D. Buckley

Christopher J. Dunphy

James A. Mulvey

Bertram S. Nayfack

Joseph M. Schenck

WAIVER OF NOTICE OF SPECIAL MEETING

of the Board of Directors of the UNITED ARTISTS CORPORATION

WE, the undersigned, being all of the Directors of UNITED ARTISTS CORPORATION, do hereby waive any and all notice of a Special Meeting of the Board of Directors of UNITED ARTISTS CORPORATION and do hereby consent that such Special Meeting may be held on the 19th day of May, 1930 at four o'clock in the afternoon, at the New York office of the Corporation, 729 Seventh Avenue, Borough of Manhattan, City of New York, and do further consent that such meeting shall be held for the purpose of considering and passing upon the UNITED ARTISTS CORPORATION making a loan to SAMUEL GOLDWYN, INC. and SAMUEL GOLDWYN, and that any and all other business as may properly come before the meeting may also be transacted thereat.

Joseph M. Schenck

Nathan Burkan

Dennis F. O'Brien

Albert H. T. Banzhaf

Harry D. Buckley

Christopher J. Dunphy

James A. Mulvey

Bertram S. Nayfack

UNITED ARTISTS CORPORATION

SPECIAL MEETING OF BOARD OF DIRECTORS

May 19, 1930

Special Meeting of the Board of Directors of UNITED ARTISTS CORPORATION was held at the office of the corporation, 729 Seventh Avenue, Borough of Manhattan, City of New York, on the 19th day of May, 1930, at four o'clock in the afternoon.

There were present:

Messrs. Nathan Burkan
James A. Mulvey
Bertram S. Nayfack
Harry D. Buckley
Albert H.T. Banzhaf
Dennis F. O'Brien
Christopher Dunphy

being a majority of the Board of Directors, and a quorum.

Mr. O'Brien presided at the meeting and Mr. Banzhaf acted as Secretary thereof.

The Chairman stated that the meeting was being held pursuant to Waiver of Notice signed by all the directors, and said Waiver of Notice was ordered to be made part of these minutes.

The Chairman stated to the meeting that the meeting was called to consider making a loan by the corporation to Samuel Goldwyn, Inc. The amount of said loan requested was Two Hundred Sixty-Nine Thousand Nine Hundred Sixty-five Dollars Thirty-four Cents ($269,965.34), and the terms thereof

were to be substantially as follows:

The loan is to run for four months and to be evidenced by a promissory note of Samuel Goldwyn, Inc., and indorsed personally by Samuel Goldwyn. The corporation is to receive further an assignment from Samuel Goldwyn, Inc. and Samuel Goldwyn of all sums payable or to become payable from United Artists Corporation to Samuel Goldwyn, Inc. and Samuel Goldwyn, from the proceeds of the picture entitled "Condemned". The corporation is also to receive from Samuel Goldwyn, Inc. and Samuel Goldwyn a complete assignment of all property rights in and to the picture and the literary material therein.

The Chairman then read to the meeting certain communications which had passed between United Artists Corporation and Mr. Schenck. The Chairman further presented to the meeting a form of agreement prepared between United Artists Corporation and Samuel Goldwyn, Inc., and Samuel Goldwyn, with respect to said loan, and requested the meeting to consider whether the corporation should make the foregoing loan to Samuel Goldwyn, Inc. and Samuel Goldwyn, and express its determination with respect to said agreement.

It was ordered that copy of said agreement be filed with the Minutes of this meeting.

Upon motion duly made, seconded and unanimously adopted (Mr. James A. Mulvey not voting), it was

RESOLVED, that the United Artists Corporation lend to Samuel Goldwyn, Inc. and Samuel Goldwyn the sum of TWO HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED SIXTY-FIVE DOLLARS THIRTY-FOUR CENTS ($269,965.34) for a period of four (4) months with interest at six percent (6%) in accordance with the terms and conditions of the agreement presented to this meeting, and that the Corporation make such loan upon obtaining from said Samuel Goldwyn, Inc. and Samuel Goldwyn a signed, executed and duly delivered copy of such agreement and upon due compliance of Samuel Goldwyn, Inc. and Samuel Goldwyn with the terms of said agreement; and it was further

RESOLVED, that Dennis F. O'Brien, Vice-President and Counsel of the Corporation, and Arthur W. Kelly, Vice-President and Treasurer of the Corporation, are hereby duly authorized to act on behalf of the Corporation to take all necessary steps to make such loan and effectuate the purposes of the foregoing resolution and obtain the necessary agreement, assignment and other instruments from Samuel Goldwyn, Inc. and Samuel Goldwyn, in accordance with the foregoing resolution.

There being no further business before the meeting, the same was duly adjourned.

Albert H.T. Banzhaf
Albert H.T. Banzhaf, Secretary of the meeting

MINUTES APPROVED:

Nathan Burkan
Nathan Burkan

James A. Mulvey
James A. Mulvey

Bertram S. Nayfack
Bertram S. Nayfack

(Directors' Meeting May 19,1930)

MINUTES APPROVED:

Harry D. Buckley

Dennis F. O'Brien

Joseph M. Schenck

Christopher Dunphy

AGREEMENT made this 20th day of May, 1930, by and between UNITED ARTISTS CORPORATION, a Delaware corporation, with offices at No. 729 Seventh Avenue, Borough of Manhattan, New York City, hereinafter designated as UNITED ARTISTS, party of the first part, and SAMUEL GOLDWYN, INC., a New York corporation, having its offices at No. 729 Seventh Avenue, Borough of Manhattan, New York City, and SAMUEL GOLDWYN, of No. 729 Seventh Avenue, Borough of Manhattan, New York City, the said Samuel Goldwyn, Inc. and Samuel Goldwyn being hereinafter jointly designated as BORROWERS, parties of the second part,

W I T N E S S E T H :

For and in consideration of the mutual covenanes, promises and agreements hereinafter set forth, the parties hereto do mutually agree as follows:

FIRST: UNITED ARTISTS hereby agree to lend to the BORROWERS, upon the execution and delivery hereof, the sum of TWO HUNDRED SIXTY-NINE THOUSAND NINE HUNDRED SIXTY-FIVE DOLLARS THIRTY-FOUR CENTS ($269,965.34) and the BORROWERS hereby agree to borrow from UNITED ARTISTS the said sum of Two Hundred Sixty-nine Thousand Nine Hundred Sixty-five Dollars Thirty-four Cents ($269,965.34). It is understood and agreed that the execution and delivery of this instrument is an acknowledgment of a receipt by the BORROWERS of the above named sum.

SECOND: BORROWERS jointly and severally agree to repay said loan, together with interest at the rate of six percent (6%) per annum, on or before, and in no event, later than four months from and after the date of this instrument, to wit, September 20th, 1930.

THIRD: BORROWERS agree that at the time of the execution and delivery of this instrument the BORROWERS will deliver to UNITED ARTISTS a promissory note duly made by SAMUEL GOLDWYN ,INC., and duly indorsed by SAMUEL GOLDWYN personally, payable to UNITED ARTISTS CORPORATION, in the sum of Two Hundred Sixty-nine Thousand Nine Hundred Sixty-five Dollars Thirty-four Cents ($269,965.34), dated not later than the date of this instrument and payable four months after date. Said note shall bear interest at the rate of six per cent (6%) per annum and shall be in such form as may be prescribed by UNITED ARTISTS.

FOURTH: To secure the repayment of said loan and interest thereon, BORROWERS jointly and severally hereby assign to UNITED ARTISTS all sums of money now payable or accruing and payable from and after the date of this instrument to the BORROWERS from UNITED ARTISTS for and on account of the photoplay entitled "CONDEMNED", and hereby grant to UNITED ARTISTS the right to apply said moneys in reduction of the foregoing loan and interest.

It is mutually understood and agreed that this agreement in no way affects, alters or relates to the right

of UNITED ARTISTS to make its deductions and charges as the distributor of the said photoplay entitled "CONDEMNED" under the agreements existing between UNITED ARTISTS and SAMUEL GOLDWYN INC. and SAMUEL GOLDWYN.

FIFTH: BORROWERS hereby jointly and severally assign, set over and transfer to UNITED ARTISTS their entire right, title and interest in and to said photoplay entitled CONDEMNED" and the literary material upon which said photoplay is based and the copyrights therein and in and to the negatives thereof and all picture sound, talking and all other rights therein, dramatic or otherwise, of any and every nature whatsoever, but only as collateral security for the repayment of said loan and interest thereon, at the time and in the manner set forth in the promissory note to be given by the BORROWERS to UNITED ARTISTS as hereinbefore set forth.

SIXTH: Borrowers jointly and severally warrant and represent that said photoplay, negatives and prints thereof, and all the rights and property described and set forth in the preceding paragraph and thereby assigned to UNITED ARTISTS, are free and clear of all lines and encumbrances of any and every character whatsoever and that the BORROWERS have full, complete and unencumbered ownership therein and have the full right to make, execute and deliver this agreement and do make

and execute the grants and assignments herein made by them to UNITED ARTISTS.

SEVENTH: It is mutually understood and agreed that upon the full and due repayment of said loan and interest by the BORROWERS to UNITED ARTISTS, the assignment herein made to UNITED ARTISTS shall become null and void and of no effect.

EIGHTH: SAMUEL GOLDWYN individually and personally hereby guarantees the due, full, complete and prompt performance of all of the terms of this agreement andthe repayment to UNITED ARTISTS of said loan and interest thereon.

IN WITNESS WHEREOF, the parties hereto have duly caused these presents to be executed the day and year first above written.

UNITED ARTISTS CORPORATION

BY_____

SAMUEL GOLDWYN, INC.

BY_____

_____(L.S.)

Samuel Goldwyn

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

On this day of May, 1930, before me personally appeared to me known, who being by me duly sworn, did depose and say, that he resides in that he is the of the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

On this day of May, 1930, before me personally appeared to me known, who being by me duly sworn, did depose and say, that he resides in that he is the of the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

On this day of May, 1930, before me came SAMUEL GOLDWYN, to me known to be the individual described in and who executed the within instrument, and he duly acknowledged that he executed the same.

HOME OFFICE
29 SEVENTH AVE.
NEW YORK
EPHONE BRYANT 7300

United Artists Corporation

JOSEPH M. SCHENCK
CHAIRMAN BOARD OF DIRECTORS
MARY PICKFORD
NORMA TALMADGE
GLORIA SWANSON
CHARLIE CHAPLIN
DOUGLAS FAIRBANKS
DAVID WARK GRIFFITH
SAMUEL GOLDWYN

COPY

Hollywood, California
June 16th, 1930.

Mr. Arthur W. Kelly,
729 Seventh Avenue,
New York, New York.

My dear Arthur: -

I hereby authorize you to accept Al Lichtman's rulings in the matters mentioned in your letter of May 26th appertaining to rebates out of the $100,000.00 fund.

Regarding Spanish speaking pictures as well as French speaking pictures, I shall discuss this matter with you upon my arrival in New York next week.

Best regards

Sincerely yours,

JOE SCHENCK

UNITED ARTISTS CORPORATION

MINUTES SPECIAL MEETING OF DIRECTORS

July 11, 1930

A special Meeting of the Board of Directors of United Artists Corporation was held at the office of the corporation 729 Seventh Avenue, New York, City, on the 11th day of July, 1930,

There were present the following directors:

Messrs:

Joseph M. Schenck
Dennis F. O'Brien
Harry D. Buckley
Albert H.T. Banzhaf
James A. Mulvey
Bertram S. Nayfack
Christopher J. Dunphy

Also Mr. Al Lichtman, General Manager and Vice President of the United Artists Corporation, Mr. Arthur Kelly, Treasurer of the organization.

Mr. Joseph M. Schenck presided and Mr. Albert H.T. Banzhaf performed the duties of secretary.

The Secretary announced to the meeting that it had been called pursuant to notice sent in conformity with the By-Laws to each of the directors, and also noted that a quorum was present.

Mr. Lichtman directed the attention of the meeting to a resolution which had been passed by the board of directors at its meeting duly held on October 18,1929, and reported that out of the fund of $100,000 referred to in that resolution there

remained approximately $76,597.50.

Mr. Lichtman further stated that the conditions which prevailed at the time of the creation of this Fund, continued on, and that, in addition, he was constantly faced with the problem of Exhibitors who had heretofore contracted for the exhibition of silent motion pictures refusing to exhibit those pictures and honoring their contracts because the talking, singing and sound motion pictures had supplanted, in the minds of the patrons of the motion pictures, silent motion pictures; that the exhibition of such would result in substantial losses to the Exhibitors; and further, that the Exhibitors were refusing to contract for the talking, singing and sound motion pictures of the Producers now being distributed by United Artists Corporation; and the controversy existing with the Exhibitors on the part of the United Artists Corporation was injurying greatly the so-termed "good-will" of the United Artists Corporation in its business dealings with Exhibitors generally.

Mr. Lichtman recommended to the board of directors that the balance of the aforesaid Fund, or so much thereof as in his judgment is necessary, may be used by him to promote the good-will of the United Artists Corporation with the Exhibitors of motion pictures with whom and with which the United Artists Corporation are seeking to do business and thus to benefit the producers and owners of the motion pictures now being distributed by the United Artists Corporation.

Mr. Lichtman further explained that the so-termed Judge Thatcher decision which declared the arbitration provisions in the existing contracts with those Exhibitors unconstitutional and hence unenforcible, was making it very difficult for the United Artists Corporation to enforce those contracts, and that many of the Exhibitors were contending that the decision of Judge Thatcher affected the entire contract and was not limited to the arbitration provisions of the contract; that the situation confronting the United Artists Corporation in its business was an unusual one and required unusual consideration.

A general discussion took place regarding the statement of Mr. Litchtman.

Upon motion duly made by Mr. O'Brien and seconded by Mr. Dunphy, it was unanimously

RESOLVED, That the aforesaid sum of Seventy-six Thousand Five Hundred Ninety-seven Dollars Fifty Cents ($76,597.50), or so much as now remains thereof, be used by Mr. Lichtman in his discretion to promote the good-will of the United Artists Corporation and to stimulate the sales of the motion pictures now being distributed or which may hereafter be distributed by the United Artists Corporation; to adjust the contentions between the owners of the motion pictures and the Exhibitors and the United Artists Corporation; and for the adjustment of unusual conditions arising at of the unusual situation heretofore explained by Mr. Lichtman; and that the proper officers of the corporation are empowered to pay out from such fund the sums recommended by Mr. Lichtman.

Mr. Kelly reported to the board of directors the recommendations of Price, Waterhouse & Company regarding the adjust-

eliminated for present as well.

ment of the tax questions in Germany ~~and in Cuba~~; and a resolution was duly made, seconded and unanimously adopted as follows:

RESOLVED, That the United Artists Corporation recommend to the Producers and Owners of motion pictures ~~affected by the taxes in Germany and in Cuba~~, as well the acceptance of the recommendations of Price Waterhouse & Company; and that the share of those taxes be paid directly by the Producers and Owners of the motion pictures.

There being no further business coming before the meeting, the same was duly adjourned.

Albert H.T. Banzhaf, Secretary

MINUTES APPROVED:

Joseph M. Schenck

Dennis F. O'Brien

Harry D. Buckley

James A. Mulvey

Bertram S. Nayfack

Christopher J. Dunphy

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

-of-

UNITED ARTISTS CORPORATION

A Special Meeting of the Board of Directors of the UNITED ARTISTS CORPORATION was held on Wednesday, August 6, 1930, at the office of the Corporation, No. 729 Seventh Avenue, Borough of Manhattan, City, County and State of New York, at four o'clock in the afternoon, pursuant to notice of such Special Meeting duly sent by the Assistant Secretary of the Corporation to all of the Directors of the Corporation, in accordance with the By-Laws.

Dennis F. O'Brien presided at the meeting, and Mr. Albert H. T. Banzhaf acted as Secretary thereof.

There were present the following Directors:

DENNIS F. O'BRIEN
ALBERT H. T. BANZHAF
JAMES A. MULVEY
BERTRAM S. NAYFACK
NATHAN BURKAN
HARRY D. BUCKLEY
CHRISTOPHER J. DUNPHY

being a majority of the Board of Directors constituting a quorum.

The Chairman stated that the meeting had been called pursuant to written notice sent to all of the Directors, in accordance with the By-Laws.

A copy of the said notice together with the affidavit of the Assistant Secretary showing the due mailing of such notice was ordered to be filed with the minutes of this meeting.

The Chairman then stated that the meeting had been called for the purpose of authorizing Mr. Dennis F. O'Brien to execute an affidavit with regard to the ownership by the UNITED ARTISTS CORPORATION of the shares of stock of UNITED ARTISTS CORPORATION, LIMITED, the English subsidiary of the UNITED ARTISTS CORPORATION, which affidavit was to be filed with the tax authorities of Great Britain. The Chairman further stated that because of the exigencies of the situation he had already signed such affidavit on the 25th day of July, 1930, and that he desired the Board of Directors to ratify and approve his act.

The affidavit of Mr. Dennis F. O'Brien, Director and attorney-at-law for the UNITED ARTISTS CORPORATION, which he signed on July 25, 1930, was then read to the meeting.

After due consideration and upon motion duly made, seconded and unanimously adopted, it was

RESOLVED, that the act of Mr. Dennis F. O'Brien on July 25, 1930, in signing an affidavit setting forth the facts with respect to the ownership of stock of the UNITED ARTISTS CORPORATION, LIMITED, the English subsidiary corporation of this company, be and the same hereby is ratified and approved in all respects.

AFFIDAVIT OF MR. DENNIS F. O'BRIEN

STATE OF NEW YORK)
: SS.:
COUNTY OF NEW YORK)

I, DENNIS F. O'BRIEN, a Counsellor and Attorney-at-law, of 152 West 42nd Street, New York City, New York, U.S.A., being first duly sworn, on oath depose and state as follows:

1. I am both a Director of and the Attorney-at-law for the United Artists Corporation, a company incorporated under the Laws of the State of Delaware, U.S.A., and hereinafter called "the American Company", and am also a Director of the Allied Artists Corporation, Ltd., the registered office of which is situate at 142, Wardour Street, in the County of London (the name of which has been changed to United Artists Corporation Limited and is hereinafter called "the English Company"), and I am duly authorized to make this affidavit on behalf of each of the said Companies.

2. I am advised that, having regard to the British Finance Acts 1922 and 1927, as a Director of the English Company, I should make, and I hereby make, an affidavit as to the following facts:

3. Mr. F. M. Guedalla, who is a Director and Solicitor of the English Company, has sent me his letters addressed to the Clerk to the Special Commissioners, of November 14, 1928 and November 5, 1929, from which letters I observe that he labors under a confusion as to certain relevant facts, which I beg herein to correct.

4. The confusion, as I understand it, arises by reason of conversations which I or Mr. Burkan, who is one of the Directors of the American Company, and Counsellor for Mr. Chaplin and Mr. Chaplin's concerns, have had with Mr.

Guedalla in former years; we were discussing the difficulties and uncertainties connected with the stock of the American Company through the arrangements made with regard to the holdings of such stock, but Mr. Guedalla understood that the said arrangements extended to the English Company. This is not and never has been the case.

5. At the same time, Mr. Guedalla is correct in one respect, namely, that some of the persons interested in the stock of the American Company did at one time raise a question whether the shares of the English Company should not belong to them, instead of to the American Company; but as I hereinafter explain, all the shares of the English Company, from the outset and down to date, have always belonged to the American Company and to nobody else.

6. The American Company was formed on May 21, 1919. The Preferred Stock, which was redeemed in 1930 under the provisions of the Company's resolutions as and when issued, was registered in the names of the following stockholders:

Charles Chaplin	£100,000
Douglas Fairbanks	30,000
Elton Corporation	70,000
Mary Pickford Fairbanks	30,000
Mary Pickford Corporation	70,000
D. W. Griffith Inc.	100,000
Samuel Goldwyn, Inc.	75,000
Joseph M. Schenck	100,000
Art Cinema Corporation	100,000

All of the said Preferred Stock was held by them in March, 1924, and continued to be so held until redeemed. In addition to that, Miss Gloria Swanson and her Producing Corporation, had agreed in 1925 to subscribe £100,000 Preferred Stock, but the agreement was superseded by other arrangements made subsequently.

7. In the case of some of the individuals above named, I believe that they in fact hold some or all of the said Preferred Stock beneficially for their Producing Corporations, but it is not in my province to be acquainted with such details.

8. When the American Company was incorporated, it was agreed to give to Mr. William Gibbs McAdoo, formerly Treasurer in the Cabinet of the U. S. A. and who took part in legal services for the American Company, 1,000 shares of Common Stock of no par value. The Company redeemed these shares in 1920, and subsequently in 1924, issued them to Mr. Joseph M. Schenck.

9. In 1924 the American Company issued to Mr. Charles Chaplin, Mr. Douglas Fairbanks and Mrs. Mary Pickford Fairbanks and Mr. D. W. Griffith, each of them 1,000 shares of Common Stock of no par value. Mr. D. W. Griffith subsequently transferred 500 of his shares to D. W. Griffith, Inc. a corporation incorporated according to the Laws of the State of Maryland, U.S.A., and at a later date he transferred his remaining 500 shares to that corporation. Mr. and Mrs. Fairbanks held some of their Common Stock on behalf of their Producing Corporations.

10. When the American Company was incorporated, the Artists, for themselves and their Producing Corporations, entered into agreements to deliver an agreed number of films over an agreed period of years, and as some security for their fulfilling this obligation, it was arranged that all their shares of Common Stock should be deposited with me to be held by me in escrow and as and when the films from time to time were delivered, I released the shares of Common Stock to them, or as directed by them. The said shares at all material times belonged to and were in the names of the said stockholders. In certain cases, some of the artists were in

default in delivery for a considerable time.

11. Mr. Joseph M. Schenck joined the American Company and became a stockholder on November 22, 1924, and took the said 1,000 shares of Common Stock, entering into similar escrow agreement for delivery of films.

12. Mr. Schenck represented two large concerns- Joseph M. Schenck Productions Inc. and Art Cinema Corporation- both Companies being incorporated and carrying on business in the U.S.A. Shortly afterwards, another company in which he is interested, viz., Feature Productions, Inc., also incorporated and carrying on business in the U.S.A., joined the United Artists.

13. Gloria Swanson entered into agreements with the American Company on behalf of herself and Gloria Swanson Productions, Inc., an American Company, and thereunder became on July 15, 1925 entitled to 1,000 shares of Common Stock of no par value. These shares, as in the case of Mr. Schenck, were also deposited with me in escrow.

14. Mr. Samuel Goldwyn became a stockholder, both as regards Preferred Stock and Common Stock, by agreement on August 29, 1925 and entered into agreements representing Samuel Goldwyn Inc., also incorporated in and carrying on business in the U.S.A., and while he and his company were in course of delivering the agreed films to the American Company for distribution, I held his Common Stock in escrow.

15. Mr. Hiram Abrams, who for many years had been President of the American Company, died at the end of 1926. Mr. Joseph M. Schenck succeeded him as President of the American Company.

16. In 1920, one Morris Greenhill entered into an agreement with the American Company for the distribution of its films in the British Isles and deposited with the American Company £100,000. He failed to perform his obligations and the said deposit was forfeited.

17. In consequence of the failure by the said Greenhill to carry out his obligations as aforesaid, it was decided that an English Company should be formed in order to distribute the said films in the British Isles. The American Company utilized part of the said money for subscribing the 7,500 shares of this English Company which was incorporated on March 15, 1921, with the said object.

The American Company has never limited itself to the films of the said artists and their producing corporations, but often acquires other films, and if it has the British rights to same, sub-licenses the English Company for the purposes of distribution.

18. The American Company had in the course of its business sustained a large loss in connection with one of Mr. Griffith's films, and had been indemnified against such loss by Mr. Chaplin and Mr. and Mrs. Fairbanks. It was under the arrangements made to effectuate such indemnity that on October 17, 1928 the said four persons, and in the case of two of them, their producing corporations, relinquished to the American Company all their title and interest to and in the said film, and inasmuch as at one time they had put forward some claim to the shares of the English Company, it was thought advisable to include a surrender to the American Company of such claims. The American Company relieved and released these four persons and their said producing corporations from guarantees which they had given in regard to the said film.

19. A copy of the said minutes of October 17, 1928 was sent to Mr. Guedalla for his information, and he informs me that he inferred therefrom that the artists and their Producing Corporations were the beneficial owners of the shares of the English Company. But this is not the case. There had been some talk at different times that they were entitled to Mr. Greenhill's forfeited deposit, and therefore to the investment thereof. These claims were never pressed or taken seriously but the Directors and legal advisers of the American Company took the opportunity on October 17, 1928 to put the matter beyond any possible doubt.

20. The shares of the English Company have always been registered in the names of nominees. Originally the seven signatory shares were registered in the names of Mr. F. M. Guedalla, and six employees of his firm. The remaining 9493 shares were registered in the name of the First Managing Director of the English Company, and of Mr. F. M. Guedalla, jointly. There have been various Managing Directors, and whenever there has been a new Managing Director, the shares were registered in the joint names of the Managing Director for the time being of the English Company, and of Mr. F. M. Guedalla.

One of Mr. Guedalla's clerks has left him, and his signatory share has been transferred into another name, namely the name of Mr. Tindall has been substituted by the name of Mr. Vincent Carl Davies.

21. The instructions given to Mr. Guedalla originally, with which he has always complied, were to see that the certificates and blank transfers were deposited in the name of the American Company with the London Branch of the Guaranty Trust Company of New York, who in fact are the bankers of the American Company.

No. 30775 SERIES C Form 1

} ss.:

DANIEL E. FINN, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, having a seal, DO HEREBY CERTIFY, That

Elizabeth D. Feeley

whose name is subscribed to the deposition or certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such deposition, or proof and acknowledgment, a Notary Public in and for such County, duly commissioned and sworn, and authorized by the laws of said State, to take depositions and to administer oaths to be used in any Court of said State and for general purposes; and also to take acknowledgments and proofs of deeds, of conveyances for land, tenements or hereditaments in said State of New York. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said deposition or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 24 day of [illegible] 193[illegible]

Clerk.

BRITISH CONSULATE-GENERAL, NEW YORK, U. S. A.

For the legalization only of the Seal of

The County Clerk County of New York, State of New York

this 25th day of July 1930.

The British Consulate-General assumes no responsibility for the contents of this document.

BRITISH PRO-CONSUL

NEW YORK CITY

UNITED STATES OF AMERICA.

BRITISH CONSULATE GENERAL NEW YORK

22. No one had any authority to withdraw the said certificates and transfers from the Guaranty Trust Company except on the authority of Mr. Hiram Abrams, President of the American Company. Mr. Hiram Abrams died in 1926, and since his death the Guaranty Trust Company have only been entitled to act on resolutions of the Board of Directors of the American Company. No one else has or ever had any authority to deal with any of the said shares.

23. The beneficial ownership of the shares of the English Company has always been in the American Company, and no one else. The English Company was formed, as I have stated, with money provided by, and belonging exclusively to, the American Company.

24. The shares of the English Company have always been listed in the balance sheet of the American Company as its property and among its assets, and have never been treated as held for or belonging to anyone else.

In deposing and making the foregoing statement in affidavit form, as is permissible under our local law, I do so with the conscientious belief that it has the same force and effect as a statutory declaration such as that provided for in the British Statutory Declarations Act of 1835, and I do state that the contents of my foregoing statement are true to the best of my knowledge, information and belief.

Director of and Attorney-at-law for the
UNITED ARTISTS CORPORATION
(The American Company)

Subscribed and sworn
to before me this
25 day of July, 1930.

Notary Public

A copy of said affidavit signed by Mr. Dennis F. O'Brien was directed to be filed with the minutes of this meeting.

There being no further business before the meeting, the same was duly adjourned.

Albert H.T. Banzhaf

Albert H.T. Banzhaf, Secretary
of the meeting.

MINUTES APPROVED:

Dennis F. O'Brien

James A. Mulvey

Bertram S. Nayfack

Nathan Burkan

Harry D. Buckley

Christopher J. Dunphy

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

SUMNER W. TAYLOR, being duly sworn, deposes and says that he is over the age of twenty-one years. That on the 1st day of August, 1930, he mailed a copy of the notice of the Special Meeting of the Board of Directors of UNITED ARTISTS CORPORATION, a duplicate of which is hereto annexed, to the following directors at the following addresses:

Dennis F. O'Brien	152 West 42nd Street New York City
Albert H.T. Banzhaf	130 West 42nd Street New York City
James A. Mulvey	729 Seventh Avenue New York City
Bertram S. Nayfack	350 Madison Avenue New York City
Nathan Burkan	1451 Broadway New York City
Harry D. Buckley	729 Seventh Avenue New York City
Christopher J.Dunphy	527 Fifth Avenue, New York City
Joseph M. Schenck	1041 North Formosa Ave., Hollywood, Cal.

by depositing a copy of said notice enclosed in a regularly sealed post-paid wrapper addressed to each of the persons at the above respective addressed, in the post office box at 729 Seventh Avenue, New York City, Borough of Manhattan, State of New York.

Summer W. Taylor

Sworn to before me this
18 day of August, 1930.

Schuyler K. Wilson

NOTARY PUBLIC, New York Co. No. 262
Register's No. 2W111
Commission Expires March 30, 1932

UNITED ARTISTS CORPORATION

Special Meeting of the Board of Directors

October 14, 1930

A Special Meeting of the Board of Directors of UNITED ARTISTS CORPORATION was held at the office of the corporation No. 729 Seventh Avenue, New York City, on Tuesday, October 14, 1930 at 4:30 P. M.

There were present at the meeting the following directors:

Dennis F. O'Brien
Albert H. T. Banzhaf
Harry D. Buckley
Bertram S. Nayfack
James A. Mulvey
Christopher J. Dunphy

There were also present:

Arthur W. Kelly, Treasurer
Al Lichtman, General Manager
Abe Lehr, representing Samuel Goldwyn

The First Vice President, Dennis F. O'Brien, acted as Chairman, and Albert H. T. Banzhaf acted as Secretary of the meeting.

Evidence of due and proper notice of the call of the meeting was presented to the meeting.

The following letter which was sent to the employees of the corporation was read to the meeting by the Chairman:

October 6, 1930

TO ALL EMPLOYEES OF THE UNITED ARTISTS CORPORATION:

Your Company has been severely affected by the general business depression that has prevailed throughout the country for the past many months. During the last six months we have suffered severe losses.

After due consideration and many discussions of ways and means to conserve the best interests of the Company and its employees, Mr. Schenck and the Executive Committee reluctantly find it necessary to reduce the salaries of all officers and those employees receiving more than $30. a week, in an amount equalling 10% of their weekly compensation. This reduction in salary is to be effective with the week beginning October 13th.

We trust and believe that this will be a temporary measure, and just as soon as general business conditions return to normal we will resume payment of salaries on the present basis.

We know that every loyal employee will realize that this step was not taken without deep thought and consideration, and we only arrived at this conclusion after we felt that this conservation plan would serve everyone's best interests.

Every member of this organization, we are sure, realizes the great necessity for economy in every department of the business, and we trust that everyone will put forth his or her best efforts to increase the company's revenue and handle his or her work most efficiently and economically.

We have always looked upon the United Artists organization as a family of loyal, able and conscientious people, and we are sure that by everyone pulling together we will soon materially improve our business condition. Fortunately, this season we have the best line of pictures inthe history of the company.

Yours sincerely,

UNITED ARTISTS CORPORATION

Al Lichtman
Arthur W. Kelly
Harry D. Buckley
Executive Committee

Mr. Kelly reported that Nathan Burkan, Assistant to the General Counsel, had accepted the proposed reduction of ten percent of his compensation.

Mr. Dennis F. O'Brien reported that on behalf of himself and his firm, O'Brien, Malevinsky & Driscoll, he accepted the reduction proposed by the President of ten per cent of their annual compensation.

Mr. Kelly stated that the President had requested him to notify Mr. Banzhaf that from and after November 1, 1930, the compensation of $5,000. per year paid to Mr. Banzhaf as Assistant to General Counsel, would be discontinued.

Mr. Banzhaf stated to the meeting his reasons for thinking this action unfair to him and that he was willing to accept a reduction of 50% in his compensation, but did not think his compensation should be entirely eliminated, and that he had communicated with Mr. Schenck his objections to this decision and that he desired to support the President in his actions to reduce expenses of operation of the corporation during the change in the business of the corporation.

Several of the directors present gave expression to the sentiment that the President was in charge of the business of the corporation and that his judgment should be supported by the Board of Directors, and that Mr. Banzhaf should refer his objection to the President directly, because the Board of Directors did not wish to take any action which was not in full accord and support of the President.

On motion duly made and seconded, it was adopted, Mr. Banzhaf not voting:

RESOLVED, That the Board of Directors approve the actions of the President as set forth above in the notice sent to the employees of the corporation on the reduction of salary of the officers, including the President and the General Counsel and the associates of the General Counsel.

Mr. Banzhaf desired to record his vote in support of said resolution, save and except as it applied to himself, for the reasons above stated by Mr. Banzhaf.

Mr. Nayfack reported to the meeting that the Art Cinema Corporation had entered into an agreement with Miss Gloria Swanson, pursuant to which Miss Swanson would render services in the production of four motion pictures for Art Cinema Corporation, to be produced within two years, such contract to begin after Miss Swanson has produced her next motion talking photoplay in which she is now engaged; and that during the term of these two years she reserves the right to make one motion picture photoplay in addition to the two in which she would render services for the Art Cinema Corporation; and that the next motion picture produced by Miss Swanson and the first motion picture in which she would render services for the Art Cinema Corporation, should be considered as the two motion pictures for which she will receive the balance of the common stock of United Artists Corporation, now held in escrow by Dennis F. O'Brien

pursuant to her present contract with United Artists Corporation.

Mr. Nayfack stated that it was desirable in his opinion that the proper officers of the corporation be authorized to modify the contract with Miss Swanson to permit the distribution of the aforesaid six additional motion pictures and the delivery of the common stock to her after the delivery of her next motion picture, which would be her fifth under the present contract; and the first motion picture for which she rendered services to Art Cinema Corporation would be the sixth motion picture under the present contract with United Artists Corporation.

Whereupon, on motion duly made and seconded, the following resolution was unanimously adopted:

> RESOLVED, that Dennis F. O'Brien, as General Counsel for the corporation, be directed and empowered to prepare and have executed the necessary documents to carry out the above understanding on behalf of United Artists Corporation.

Mr. Kelly reported in detail concerning the business of the corporation throughout the world, and particularly its need of motion pictures to be distributed in the foreign territory; that the present producers of the United Artists Corporation were not making talking motion pictures in the foreign languages, and unless the corporation distributed talking motion pictures in foreign languages from producers other than so-termed United Artists Corporation producers, the subsidiary corporations dis-

tributing the pictures of United Artists Corporation in foreign territory, would suffer large losses or be compelled to discontinue business; and that the President of the corporation had been negotiating with Columbia Motion Pictures, Inc., to distribute its product in foreign territory; and was also negotiating with the producers of French talking motion pictures and German talking motion pictures as well as producers of talking pictures made in England for quota purposes, to provide sufficient business for the subsidiaries of the United Artists Corporation in foreign territory in the immediate period, or until the owning-producers of United Artists Corporation engaged in producing talking motion pictures could produce such motion pictures in foreign language.

WHEREUPON, on motion duly made and seconded, the following resolution was unanimously adopted:

> RESOLVED, that the President, Mr. Joseph M. Schenck, be and he hereby is authorized and empowered to enter into such contracts as in his judgment may seem desirable to distribute in foreign territory the motion pictures produced by Columbia Motion Picture Corporation and producers of talking motion pictures in foreign languages and so-termed English talking motion pictures for quota purposes.

No further business coming before the meeting, the meeting was adjourned.

MINUTES APPROVED:

Albert H. T. Banzhaf,
Secretary

Dennis F. O'Brien

Harry D. Buckley

Joseph M. Schenck

Bertram S. Nayfack

James A. Mulvey

Nathan Burkan

Christopher J. Murphy

UNITED ARTISTS CORPORATION

Special Meeting of the Board of Directors

December 23,1930.

A Special Meeting of the Board of Directors of the United Artists Corporation was held at the office of the Corporation No. 729 Seventh Avenue, New York City, on the 23rd day of December, 1930, at 4:30 P.M.

There were present at the meeting the following directors:

Christopher J. Dunphy
Albert H. T. Banzhaf
Harry D. Buckley
James A. Mulvey
Bertram S. Nayfack, represented by Edward C. Raftery as Proxy
Dennis F. O'Brien, represented by Edward C. Raftery as Proxy

There were also present:

Al Lichtman, Vice-President
Arthur W. Kelly, Vice President and Treasurer

Harry D. Buckley acted as Chairman of the meeting and Albert H. T. Banzhaf acted as Secretary of the meeting.

Evidence of due and proper notice of the call of the meeting was presented to the meeting.

On motion duly made and seconded, and unanimously adopted, it was

RESOLVED: That the action of the President in eliminating the 10% cut in salaries, and restoring the former scale of salaries to the

employees be and the same is hereby approved.

At the same time, the Chair recognized Mr. Albert H. T. Banzhaf and directed that there be spread upon the minutes a protest by Mr. Banzhaf with respect to not receiving compensation for his services.

A motion was made, seconded and unanimously adopted approving the action of the officers in designating the American Oriental Banking Corporation at Shanghai, China, as one of the Depositories for its funds.

A motion was made, seconded and unanimously adopted approving the action of the officers in consummating the Columbia Pictures Inc. contract for the distribution of its pictures in Great Britain.

A motion was made, seconded and unanimously adopted approving the action of the officers of the corporation in concluding with the Sam Fox Publishing Company a compromise agreement for the use of musical compositions published in foreign territories, on the basis of $7,000. guarantee spread over three years, and $1,500. liquidated damages, to be applied against the first $2500. guarantee for the first year. It is agreed that the remaining $6000. guarantee is to be held in abeyance until we have had experience as to what amount of Sam Fox Music Publishing Company's compositions are used in the next year.

A motion was made, seconded and unanimously adopted approving the action of the officers of the corporation in declaring a 400% dividend of the United Artists Corporation Limited, London, representing £ _____ less Income Tax at the rate of 4/6 in the Pound.

The Treasurer reported on the Australian economic situation and notified the Board that they had been successful in selling £25,000. at the rate of $4.18 to the Pound.

Upon motion duly made, seconded and unanimously adopted, it was

RESOLVED: that any of the property of this Company, necessary to be stored, be deposited with The Manhattan Storage and Warehouse Company of New York, for such storage in the name of this Company and that ARTHUR W. KELLY, Vice President or Mary W. Rusk, Assistant Treasurer, or H. J. Muller, Comptroller, be and they are hereby severally designated and authorized to sign any agreement, order or direction, in the name of this Company relating to the storage, access to, or delivery of such property or any part thereof, and they are authorized to have access to said property jointly or severally. The said property may be removed from storage by any of said officers, on the order of any one of them in the name of the Company. No responsibility shall attach to the said The Manhattan Storage and Warehouse Company by reason of access to, or delivery of said property on the order of, or to any one of the above designated officers, until revocation of said resolution by the Board of Directors, and notice thereof to the said depository. A copy of this resolution, certified to by the Secretary, shall be filed with the said The Manhattan Storage and Warehouse Company. All property heretofore deposited with the said The Manhattan Storage and Warehouse Company shall likewise be subject to access and delivery, on the order or direction of any one of the said officers with the same effect as if the foregoing resolution had been made in the name of each deposit.

No further business coming before the meeting, the meeting was adjourned.

Albert H. T. Banzhaf,
Secretary

MINUTES APPROVED:

Christopher J. Dunphy

Harry D. Buckley

James A. Mulvey

Bertram S. Nayfack (by Edward C. Raftery, as Proxy)

Edward C. Raftery — approved by Dennis F. O'Brien

Dennis F. O'Brien, (by Edward C. Raftery, as Proxy)

Nathan Burkan

Joseph M. Schenck

Scanned from the United Artists collection at the Wisconsin Center for Film and Theater Research.

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www.marypickford.org

www.mediahistoryproject.org